

August 22, 2008 RSL-2008-04

MEMORANDUM TO ASSISTANT REGIONAL ADMINISTRATORS, PBS

REGIONAL REALTY SERVICES OFFICERS

FROM: SAMUEL J. MORRIS, III (Signed)

ASSISTANT COMMISSIONER FOR OFFICE OF

REAL ESTATE ACQUISITION – PR

SUBJECT: Revised Solicitation for Offers Template, Revised GSA Form

1364, Security Unit Price List

 Purpose. This Realty Services Letter (RSL) issues a revised standard solicitation for offers (SFO) template and policy for use of the SFO. This RSL also issues a revised GSA Form 1364, *Proposal to Lease Space*, a new Security Unit Price List, and a Liquidated Damages worksheet.

2. Background.

- a. The standard SFO "boilerplate" was updated in 2000 by RSL PX-2000-03 to implement the provisions of the Pricing Guide. Since then several paragraphs have been updated by various RSLs. This RSL reflects a wholesale review and update of the "boilerplate" language.
- b. As part of this update of the standard SFO, the SFO was reorganized. The new SFO flows from a summary of basic requirements, through how to offer, to the tenant improvement process, to ongoing lease administration, and to detailed lease requirements. The purpose of this reorganization is to address the leasing process in a chronological manner and simplify the ongoing lease administration processes by putting many of those paragraphs in one section of the SFO.
- c. GSA Form 1364A, *Proposal to Lease Space, (For use with TI SFO and/or National Broker Contract),* was issued in 2004 by RSL 2004-04.
- 3. <u>Effective Date/Expiration Date</u>. This RSL is effective for all SFOs issued 60 days after the date of issuance, and will expire 5 years after the date of issuance. Individual SFO paragraphs and instructions may be modified prior to the expiration date of this RSL.
- 4. <u>Cancellation</u>. PX-2000-03 and PQ-2004-04 are canceled; however, they are archived on InSite under the current RSLs for reference as needed.
- 5. Applicability. This RSL applies to all real property leasing activities.
- 6. Instructions/Procedures.
 - a. SFO text changes and forms are attached. The SFO replaces all prior SFOs, except it does not apply to existing national programmatic customer-specific

- SFOs, such as the FBI field office, Census, and FEMA emergency leasing SFOs. The new SFO, however, must be used when developing new programmatic SFOs.
- b. The attached GSA Form 1364, *Proposal to Lease Space*, replaces all prior 1364s, including 1364A, and is revised to identify all pricing elements for better compatibility with Occupancy Agreement inputs. RSL 2000-03 also implemented a Rate Structure attachment that is incorporated into the Form 1364. See additional information in Attachment 2.
- c. To further implement the provisions of Pricing Policy Modifications #13 and #21, this RSL establishes a Security Unit Price List (SecUP) that will enable offerors to properly categorize the security costs, realty professionals to capture these separate costs in the lease document, and realty professionals to bill the agency as appropriate. The attached SecUP identifies all security items required by the SFO. Instructions are provided in the new SFO language as well as on the Form 1364 and SecUP.
- d. We have included as an optional tool, the Liquidated Damages Worksheet, with instructions for use and applicability. Blue instructional hidden text for the paragraph of the SFO titled *Liquidated Damages*, *GSAR 552.270-15 (SEP 1999)*, states that this tool may be used to compute an estimate for actual damages. If computed, this estimate must then be included in the SFO. Other methods to calculate liquidated damages may be used if approved by Regional Counsel.
- e. The revised 1364 and SecUP must be included in all solicitation packages, including those using Simplified Lease Acquisition procedures, issued after the effective date of this RSL.
- f. Regional versions and deviations of the Form 1364 are not authorized.
- g. Regional revisions and additional paragraphs to Mandatory SFO paragraphs should be reviewed by Regional Counsel for consistency and legal sufficiency prior to inclusion, and must be approved at a level above the Contracting Officer (Branch Chief, Team Lead, etc.).
- h. The SFO, Form 1364, SecUP, and Liquidated Damages Worksheet will be available on PBS InSite and on www.gsa.gov/leasing.
- i. Where the language in specific paragraphs of this SFO differs from the language provided in prior topic specific RSLs, such as the Green Lease RSL 2007-12, the language of this SFO takes precedence and supersedes the prior language. Such earlier RSLs otherwise remain in force and effect.

Attachments:

Attachment 1 – Standard SFO template revisions

Attachment 2 – Guidance to GSA Form 1364, Proposal to Lease Space and Security Unit Price List

Attachment 3 – GSA Form 1364

Attachment 4 – GSA Form 1364 Instructions

Attachment 5 – Security Unit Price List

Attachment 6 – Liquidated Damages Calculation Spreadsheet

Standard SFO Template Revisions

1. General Instructions.

- a. This SFO template, like previous versions, contains several macros to assist the user. The template's hidden blue text contains specific instructions for executing paragraph additions, deletions, and inserting text, among other things. Specialists must read the instructions and familiarize themselves with the macro features. Specialists must closely follow the instructions or the macros and formatting elements of the SFO may be compromised.
- b. This SFO template contains input from all GSA Regions, the Office of the Chief Architect, the Office of Real Property Asset Management, the Office of Applied Science, and the Office of General Counsel. It provides greater consistency in application of the pricing policy and other GSA initiatives, as well as in our dealings with customers.

2. SFO Revisions.

a. General.

- This SFO has been reorganized. The reorganization of the paragraphs is designed to make the SFO document easier to use for both GSA and potential lessors/offerors.
- ii. The blue hidden text throughout the document has been updated. For many paragraphs, the hidden text now provides more background information and direction to the realty professional as to the applicability of each paragraph.
- iii. Throughout the SFO, the realty professional will find SFO subparagraphs in red text. This red text indicates that the realty professional has a choice to make between subparagraphs. After choosing the applicable subparagraph, the other(s) must be deleted.
- iv. This SFO also includes the revisions and updates of previous Realty Service Letters (RSLs).
- v. Major paragraph revisions to this SFO template include new Restoration Waiver, Mold, and Novation and Change of Name paragraphs, and revised Historic Preference and Tax Adjustment paragraphs.
- vi. The RSL-2007-12, *Green Lease Policies and Procedures for Lease Acquisition*, and several SFO paragraphs required a Leadership in Energy and Environmental Design for New Construction (LEED®–NC) Silver rating for major lease renovation projects of 10,000 Rentable Square Feet and above when the government is the sole occupant of the entire building with the exception of retail space. All offerors of existing buildings will not offer sole occupancy; therefore, we have concluded, in consultation with the Office of General Counsel, that this requirement would create uneven prerequisites on offerors due to that provision. This would be a violation of the Competition in Contracting Act. Accordingly, we have eliminated the "major renovation" LEED requirement.

b. <u>Section-Specific SFO Revisions</u>. The format, wording, organization, and punctuation in many of the paragraphs have changed. However, only changes that have altered the intent or content of the paragraph are noted below.

1. Summary

1.1 Amount and Type of Space paragraph, added:

Subparagraph (B): Government parking requirement specifications.

Subparagraph (E): clarified interchangeability of terms: "ANSI/BOMA" and "usable square feet."

Subparagraph (F): Government requirement for use of part of the building roof for antennas. Also included is blue instructional text clarifying when paragraph should/should not be used.

Subparagraph (G): Government requirements for Randolph-Sheppard Act vending facilities, with blue informational text clarifying conditions of applicability of the paragraph.

- 1.2 is now *Unique Requirements*, and includes language on Leadership in Energy and Environmental Design (LEED) requirements for lease construction procurements and deleted reference to major lease renovation projects of 10,000 Rentable Square Feet and above. Also included is blue instructional text describing each paragraph's applicability.
- 1.4 is now *Offer Due Date* paragraph, and clarifies that offers shall remain open until lease award.
- 1.5 is now *Access and Appurtenant Areas*, and now references the Security Requirements section of the SFO for additional information regarding entitlements under this paragraph.
- 1.6 is now *Services, Utilities, and Maintenance*, and includes language calling for Lessor (or Lessor's designated representative) to immediately address all emergency situations, along with blue text direction on conducting Transaction Management Playbook (TMP) discussions with the customer to determine acceptable response times for calls and emergencies.
- 1.7 is now *Area of Consideration*, and includes language clarifying when an award of a lease location in a floodplain may/may not be acceptable.

1.8 is now Location: City Center, and includes:

Subparagraph (B) *Parking* now includes blue instructional text clarifying how the parking variable should be determined. Local market practice should be observed, however a ratio range is now listed, with a suggested range falling between 2,500 and 4,000 SF.

Subparagraph (C) Location Amenities: includes a walkable ½ mile benchmark for restaurants, cafeterias, etc., along with language clarifying that to meet this requirement, amenities must be existing, or the Offeror must demonstrate that such amenities will exist by the Government's occupancy date. Blue instructional text also included clarifying applicability.

Subparagraph (D) *Public Transportation:* includes language addressing lease location proximity relative to public transportation, and includes benchmarks of a walkable ½ mile to a commuter rail, light rail or subway station, and a walkable ¼ mile to two or more public or campus bus lines.

Subparagraph (E) Submittal Requirements: requires the Offeror to submit a map showing public transport and distances marked,

1.9 is now Location: Outside City Center, and includes:

Subparagraph (B) *Parking* now includes blue instructional text clarifying how the parking variable should be determined. Local market practice should be observed, however a ratio range is now listed, with a suggested range falling between 2,500 and 4,000 SF.

Subparagraph (C) Location Amenities: includes a walkable ½ mile benchmark for proximity of location to restaurants, cafeterias, retail shops, cleaners, and other amenities.

Subparagraph (D) Submittal Requirements: requires the Offeror to submit a map showing public transport and distances marked.

1.10 is now Location: Inside or Outside City Center, and includes:

Subparagraph (A)(2) *Parking* now includes blue instructional text clarifying how the parking variable should be determined. Local market practice should be observed, however a ratio range is now listed, with a suggested range falling between 2,500 and 4,000 SF.

Subparagraph (A)(3) City Center Neighborhood: Location Amenities: Location Amenities: Location Amenities: includes a walkable ½ mile benchmark for proximity of location to restaurants, cafeterias, retail shops, cleaners, and other

amenities. Blue instructional text also included clarifying applicability and types of measurements used for these amenities.

Subparagraph (A)(4) *Public Transportation:* includes language addressing lease location proximity relative to public transportation, and includes benchmarks of a walkable ½ mile a commuter rail, light rail or subway station, and a walkable 1/4 mile to two or more public or campus bus lines. Blue instructional text also included clarifying applicability and types of measurements used for this amenity.

- 1.11 is now *Occupancy Date*, and includes two options: a date certain occupancy post-lease award, and a date certain occupancy post-issuance by the Contracting Officer of the Notice to Proceed with Tenant Improvements. Blue instructional text also included clarifying the applicability of each paragraph.
- 1.13 is now *Quality and Appearance of Building*, and now states that if modernization of the space is underway or proposed, architectural plans acceptable to the Contracting Officer shall be submitted as part of the offer.
- 1.14 is now *Building Shell Requirements*, and includes the following:

Subparagraph (A) clarifies that all items identified as building shell are to be provided, installed, maintained, repaired, and/or replaced as part of the Lessor's shell rent.

Subparagraph (A) (13) is specifically used when agencies request use of LEED for commercial interiors, and states that the lessor must incorporate any building shell modifications required for the space to meet LEED requirements, and any such modifications must be included in the Working Construction Documents.

Subparagraph (A) (14) *Demolition*, detailing demolition requirements to accommodate the Government's design intent drawings.

Subparagraph (A) (15) clarifies that all improvements detailed in this paragraph are described in greater detail throughout the solicitation.

Subparagraph (A) (16) clarifies that any items not specifically labeled as a Tenant Improvement shall be considered a shell item.

2. Award Factors and Price Evaluation

2.2. is now *Other Award Factors*, and includes the following:

Subparagraph (C) blue informational text clarifies that if evaluation factors are used, Past Performance must be included as a factor. Also,(C)(6), *Promotion of Energy Efficiency and Use of Renewal Energy*, is an evaluation factor, which

must be used in cases of prospectus level new construction. If this is the case, an evaluation factor **must** be developed taking into consideration the extent to which the offeror will promote energy efficiency and the use of renewable energy In other cases (i.e., below prospectus new construct) this may be used as an evaluation factor, at the agency's request, though it is not required. Blue instructional text clarifies it's applicability, and calls for a minimum Energy STAR benchmark score of 75 or higher as the "acceptable" level, with evaluation factors evaluating how that minimum benchmark score will be exceeded.

- 2.4 is now *Seismic Safety for Existing Construction*, and clarifies seismic compliance requirements for existing space, and the Offeror's responsibility of proof and submittal requirements. Further, blue instructional text clarifies the paragraph's applicability.
- 2.6 is now *Historic Preference*, and describes the new historic preference criteria and associated price evaluation criteria, in accordance with the revised GSAR 552.270-2 clause. The historic preference criteria now provides for a preference to space offered in the following historic property types: historic properties within a historic district, which receive a 10% price evaluation preference, non-historic properties within a historic district, which receive a 2.5% price evaluation preference, and historic properties not within a historic district, which receive a 10% price evaluation preference in accordance with the hierarchy in the paragraph and separate RSL on the subject..
- 2.8 is now *Price Evaluation (Present Value)*, and now includes the following:

Subparagraph (A) now clarifies that the base price offered per ANSI/BOMA Office Area square foot – from which adjustments are made- will be the base price for the term of the lease, including any option periods.

Subparagraph (C)(7)(d), now calls for the cost of an Offeror's project development fees associated with Tenant Improvement to be discounted annually at 5%, and added to the gross present value cost (PVC).

2.9 is now Award, and includes the following:

Subparagraph (A)(6), calls for the floor plan of the offered space to be included as part of the executed lease agreement, and specifies that award of the lease occurs upon the execution and mailing or otherwise furnishing notification of execution.

3. How to Offer and Submittal Requirements

3.1 is now Offer Procedures, and includes the following:

Subparagraph (A) now has two versions, one for National Broker Contract projects, and one for standard non-broker contract projects. Blue informational text is included addressing the applicability of each paragraph.

Subparagraph (B) provides instruction and clarification on offer submission documentation.

- 3.2 is now *Tenant Improvements Included in Offer,* and now includes a definition of Tenant Improvements, along with including a placeholder for inputting the TI allowance amount per ANSI/BOMA office area square foot, for a particular solicitation. Additionally, it includes two paragraph (A)'s, one for general procurements, and the second allowing for a revised TI allowance for existing leased space. Blue instructional text instructs using the latter paragraph (A) in situations where the customer requires minimal alterations at an existing location, and would accept a succeeding lease and elects to apply a TI amount less than their full entitlement. Paragraph (B) clarifies what is and is not included as part of the Tenant Improvement Allowance, and paragraph (C) outlines LEED requirements for Tenant Improvements when agencies request LEED[®]-CI.
- 3.3 is now *Tenant Improvement Rental Adjustment*, and clarifies that all tenant improvements shall be identified after award, in accordance with provisions found in the *Construction Schedule of Tenant Improvements* paragraph now located in the DESIGN, CONSTRUCTION, AND OTHER POST AWARD ACTIVITIES section of the SFO. Further, paragraph (2) once again allows for the Government, at its sole discretion, at any time after occupancy and during the firm term of the lease, to choose to pay lump sum for any part or all of the remaining unpaid amortized balance of the Tenant Improvement Allowance if the original occupant agency vacates the space. If the Government elects to make a lump sum payment for the Tenant Improvement Allowance by the Government will result in a decrease in the rent according to the amortization rate over the firm term of the lease.
- 3.4 is now *GSA Forms and Pricing Information*, and now includes blue instructional text clarifying procedures regarding deviations to forms, submittals, etc. Further, it calls for the following:

Subparagraph (A)(1) requests a signed statement from the Offeror verifying he/she have read the SFO, General Clauses, and all attachments in their entirety, and that no deviations are being requested.

Subparagraph (A)(2) §'s (a) – (k) outline all information to be included on GSA form 1364, *Proposal to Lease Space.*

Subparagraphs (A)(3) – (6) explain requirements of information requested on other submittal forms, including GSA Form 1217 – Lessor's Annual Cost Statement, the Unit Price List, Building Security Unit Price List, and GSA Form 3518 – Representations and Certifications.

Subparagraph (A)(7) calls for information on any brokerage commission agreement between GSA's Tenant Representatives and the Lessor, with blue instructional text calling for use of the Broker Commission Agreement template in eLease.

Two versions of paragraph (A)(8), one for lease construction procurements, and the other for procurements where the customer agency requests LEED[®]- CI, The paragraph lists LEED scorecard requirements, that a lessor must achieve at a minimum on projects where these requirements apply.

3.5 is now *Evidence of Capability to Perform,* and has been revised into three sections: submissions at time of offer, after award, and after issuance of Notice to Proceed for Tenant Improvements.

3.6 is now *Building and Site Information Submittals*, and outlines submittal information and documentation due from Offerors at the submission of offers, and includes the following:

Subparagraph (A)(1) GSA form 12000 or GSA form 12001 (as applicable), Prelease Fire Sub-Protection and Life Safety Survey Evaluation.

Subparagraph (A)(2) Seismic Safety Certification.

Subparagraph (A)(3) Pre-lease Building Security Plan

Subparagraph (A)(4) Tax information, including a legal description of the property, tax ID numbers, any tax abatements, copies of all real estate taxes, notices, prior year tax bills, and any other information that may affect the assessed valuation of the property, and any other tax related information.

Subparagraph (A)(5) narrative explanation of Offeror's plans to fulfill any parking requirements

Subparagraph (A)(6) Architectural plans describing any plans for overall building modernizations/improvements.

Subparagraph (A)(7) Any existent asbestos management plans for the building.

Subparagraph (A)(8) §'s (a - d) Plans for space offered, along with criteria for submitting such plans, now no longer submitted on 31/2 floppy, but only on CD-ROM.

Subparagraph (A)(9) scaled map including offered building and all amenities as stated in the Location Paragraph

Subparagraph (A)(10) provide information on vending facilities in the offered building, in accordance with the "Vending Facilities" paragraph in the Summary section of the SFO. Blue instructional text also included explaining Randolph-Sheppard requirements

Subparagraph (A)(11) (applicable only when using the *Location: City Center* paragraph) provide evidence demonstrating amenities will exist by the Government's required occupancy date, including copies of signed leases, construction contracts, or other documentation deemed acceptable by the contracting officer.

Subparagraph (B)(1) calls for the post-award submission of the name / contact information of an onsite or locally designated service/utilities/maintenance representative

Subparagraph (B)(2) calls for the submission of a schedule of periodic services for other than daily, weekly, or monthly services.

3.7 is now *Green Lease Submittals*, and has been clarified from the initial language provided in RSL 2007-12 *Green Lease Policies and Procedures for Lease Acquisition*, to consolidate all pertinent pre and post award Green Lease submittals that were previously interspersed throughout the SFO.

4 Utilities, Services, and Lease Administration

- 4.1 is now *Measurement of Space*, and recognizes the use of ANSI/BOMA space definition standards throughout the SFO. Further, the paragraph includes definitions of ANSI/BOMA Office Area Square Feet, Rentable Space, and Common Area Factor.
- 4.2 is now *Tax Adjustments* and clarifies procedures for the Government paying its share of adjustments in charges of real estate taxes. A methodology is outlined which covers, among other things, establishment of the base year for tax adjustments, how to determine tax adjustments, and includes direction on dealing with tax abatements, termination of leases prior to the end of a tax year, credits due the Government, interest penalties, multiple assessed parcels, and tax appeals.

4.3 is now *Operating Costs*, and is now a combination of the former *Operating Costs* and *Operating Costs Base* paragraphs. The paragraph includes the following clarifications:

Subparagraph (A) states that the base for operating cost adjustments will be established during negotiations based on ANSI/BOMA Office Area square feet.

Subparagraph (A)(2) now clarifies when payment of CPI adjusted rental rates will be due.

- 4.4 is now *Adjustment for Vacant Premises*, and now includes additional blue instructional text with clarifying intent and goals of the paragraph.
- 4.5 is now *Normal Hours*, and now includes blue instructional text advising that if the successful Offeror agrees to provide extended hours and /or days at no additional cost or consequence to the Government, such hours should be accepted as part of the lease agreement and included in the lease.
- 4.6 is now *Overtime Usage*, and now includes a paragraph allowing for a designated Tenant Agency official to both order and pay for overtime utilities directly, and a proviso noting that failure to submit a proper invoice within 120 days of providing overtime utilities will constitute a waiver of Lessor's right to receive any payment. Also included is blue instructional text calling for a floor plan showing all areas separately zoned on one floor incorporated into the lease as an attachment.
- 4.8 is now *Utilities Separate from Rental / Building Operating Plan*, and clarifies that submeters are not acceptable, and also calls for the Offeror to submit a building operating plan with their offer, which must include a schedule of startup and shutdown times for operation of each building system. This plan must be in operation on the effective date of the lease.
- 4.9 and 4.10 are now both *Janitorial Services*, with blue instructional text indicating when either paragraph should/ should not be used. 4.10 includes the following:

Subparagraph (D)(13) calling for control of pests as appropriate, using Integrated Pest Management techniques, as specified in the GSA Environmental Management Integrated Pest Management Technique Guide (E402-1001).

- 4.12 is now *Landscape Maintenance*, and now includes reference to additional information in the Landscaping paragraph in the General Architecture Section of the SFO.
- 4.13 is now *Maintenance and Testing of Systems*, and calls for the Lessor to be responsible for the total maintenance and repair of the leased premises, including the site and private access roads.

- 4.14 is now *Novation and Change of Name*, and explains what must occur in the event of a transfer of ownership of the lease premises, an assignment of lease or if there is a change in the lessor's legal name.
- 4.15 is now *Central Contractor Registration*, and explains Offeror requirements to have an active registration in the Central Contractor Registration System prior to lease award, and throughout the life of the lease.

5. Design, Construction, and Other Post Award Activities

- 5.2 is now *Seismic Safety for New Construction*, and clarifies seismic compliance requirements for new lease construction, along with the Lessor's responsibility of proof. Blue instructional text clarifies paragraph applicability.
- 5.3 is now Fire Protection for New Construction, and includes the following:

Subparagraph (A) calls for a written statement submitted by the Offeror from a licensed fire protection engineer stating that the building fully complies with the fire protection and life safety requirements stated in the SFO.

Subparagraph (B) requires the new building to be protected by an automatic fire sprinkler system designed in accordance with the National Fire Protection Association (NFPA) 13.

Subparagraph (C) calls for a secondary power source for electrical fire pumps provided to support the design of the fire sprinkler system.

Subparagraph (D) outlines conditions when the fire alarm system must have an emergency voice/alarm communication system.

- 5.4 is now Security: Additional Requirements for Sensitive but Unclassified Information, outlines requirements, instruction, submittals and protocols in dealing with paper and electronic building information for GSA's controlled space, including leased space, and all items classified as Sensitive But Unclassified (SBU).
- 5.5 is now *Unit Cost for Adjustment*, and requires the offeror to provide unit prices when requested by the Government. Further, it allows the Government to use those unit prices to price alterations costing \$100,000.00 or less during the first year of the lease.
- 5.6 is now *Tenant Improvement Pricing Requirements*, and subparagraph (B)(5) now calls for a minimum of two (previously three) qualified general contractors invited to participate in the competitive proposal process, or in the absence of sufficient competition from general contractors, a minimum of two (previously three) qualified subcontractors from each trade of the 21 division Tenant Improvement Cost Summary Table (now also included in elease).

5.7 is now Subsequent Tenant Alterations \$100,000 Or Less and is reorganized but contains no significant changes.

5.9 is now *Responsibility of the Lessor and Lessor's Architect/Engineer,* is a new SFO paragraph which includes the following:

Subparagraph (A) designates the Lessor as responsible for the professional quality, technical accuracy, and coordination of all designs, drawings, specifications, and other services furnished by the Lessor under the lease. Further, it calls for the Lessor to correct or revise any errors, or deficiencies in the designs, drawings, specifications, or other services, without additional compensation.

Subparagraph (B) designates the Lessor as being solely responsible for designing, constructing, operating, and maintaining the leased premises in full accordance with requirements of the lease. Further, the Government retains the right to review and approve many aspects of the Lessor's design, including review of the Lessor's design and construction drawings, shop drawings, product data, finish samples, and completed Base Building and Tenant Improvement construction.

Subparagraph (C) indicates that neither the Government's review, approval, or acceptance of, nor payment through rent of the services required under the contract, shall be construed to operate as a waiver of any rights under the lease contract, with the Lessor remaining liable to the Government in accordance with applicable law for all damages to the Government caused by the Lessor's negligent performance of any services required under the contract.

Subparagraph (D) calls for the Lessor to make certain that space planners, architects, engineers, construction contractors, etc, have been provided with all information required whether found in the SFO, Special Requirements, and Attachments, Price Lists, or Design Intent Drawings.

5.10 is now *Liquidated Damages*, and now includes the proviso that the liquidated damages sum is not a punitive measure, but as an approximation of actual damages that would be suffered by the Government as a result of the Lessor's delay. Further, blue instructional text indicates the option of using the liquidated damages calculation spreadsheet to compute an estimate of actual damages. Other methods of calculation, approved by Regional Counsel, may also be acceptable.

5.12 is now *Construction Waste Management*, and is now is mandatory for tenant improvements and subsequent alterations, now has as a submittal requirement from the Offeror - prior to construction commencement - a proposed plan to recycle construction waste. All requirements of this construction waste management plan are outlined in paragraph (B)(1).

- 5.16 is now *Progress Reports*, and allows for the Contracting Officer to specify the number of meetings per week the Lessor must conduct, in order to brief Government personnel and/or contractors regarding the progress of design and construction of the Government-demised area. Further, it designates the Lessor responsible for meeting minutes, and their distribution –pending GSA Contracting Officer review and approval.
- 5.17 is now *Construction Inspections*, and now calls for the Lessor to respond in writing to the GSA Contracting Officer regarding the Government's comments resulting from any subject reviews, tests, and inspections of the offered space.
- 5.18 is now *Floor Plans After Occupancy*, and paragraph A no longer requires as-built mylar reproducible floor plans. Paragraph B, calls for computer aided Electronic media, such as CAD files of as-built drawings.
- 5.19 is now *Waiver of Restoration*, a new SFO paragraph which states that the Lessor waives, releases, discharges, and forever relinquishes any rights to make a claim against the Government for waste, damages, or restoration arising from or related to (a) Government's normal and customary use of the leased premises during the term of lease (including extensions thereof).

6. General Architecture

6.4 is now Windows, and includes the following:

Subparagraph (B) now calls for windows accessible from fire escapes to be readily operable from the inside of the building.

Subparagraph (C) calls for fire rated glazing to comply with ANSI Z97.1, Safety Glazing Materials Used in Buildings – Safety Performance Specifications and Methods of Test and CPSC 16CFR1201, Category 1, Safety Standard for Architectural Glazing Materials.

6.13 is now *Flagpole and Display*, and now calls for the Lessor to provide a flag, as part of shell rent. Further, it calls for the replacement of the flag at all times during the lease term when showing wear. The Lessor will also be responsible for flag display on all workdays and federal holidays, and allows the Lessor the option of lighting the flag in lieu of raising and lowering the flag daily.

7. Architectural Finishes

7.3 is now *Finish Selections*, and is a consolidated version of the Layout and Finishes and the Layout, Finishes, and Colorboards (Dec 2007) paragraphs. Subparagraph (C)

outlines the timelines and procedures for submission of color boards and sample finishes.

- 7.4 is now *Wood Products*, and requires the treatment of all materials comprised of combustible substances such as wood products to be treated with fire retardant chemicals.
- 7.6 is now *Doors*, *Suite Entry (tenant improvement information)*, and now includes a requirement for suite entry doors to meet NFPA 101 Life Safety Code, and that the doors be installed with a metal frame assembly which is primed and finished with a low VOC semi-gloss oil-based finish with no formaldehyde.
- 7.7 is now *Doors: Interior*, and now calls for them to meet the requirement of NFPA 101, Life Safety code.
- 7.10 is now *Partitions: Subdividing:* and now includes a proviso stating that if necessary, sprinklers and fire alarm notification appliances shall be installed and/or repositioned as appropriated after installation of partitions to maintain the level of fire protection and life safety.
- 7.11 is now *Wall Finishes*, and has been clarified to include a proviso calling for all wall coverings in the Government demised area to be maintained in "like new" condition for the life of the lease. Further, it states that repair or replacement of wall coverings shall be at the lessor's expense and shall include the moving and returning of furnishings except where damaged due to the negligence of the Government.
- 7.13 is now *Floor Covering and Perimeters*, and now calls for a designation on cyclical carpet replacement, with the cost of such replacement –including moving and returning of furnishings, disassembly and reassembly of systems furniture- to be borne by the Lessor as part of shell rent.
- 7.14 is now *Carpet: Broadloom* and flammability requirements have been added.
- 7.15 is now *Carpet Tile* and flammability requirements have been added.

8. Mechanical, Electrical, Plumbing:

- 8.1 is now *Mechanical, Electrical, Plumbing: General*, and is clarified regarding shell and TI costs.
- 8.2 is now *Building Systems*, and is clarified regarding TI costs.
- 8.3 is now *Energy Cost Savings*, and stipulates the following:

Subparagraph (A) is clarified to reference "existing buildings only".

Alternate Subparagraph (A) is used only for new construction procurements, and calls for all new construction to achieve an Energy Star score of 75 or above within 18 months after reaching 80 % occupancy, and to continue to retain the qualifying Energy Star score or better. Further, it stipulates that if the lessor fails to achieve an Energy Star score of 75 or above within 18 months after reaching 80% occupancy, the Government may implement a corrective action program to achieve such a score, and deduct all associated costs from the rent.

8.4 is now *Insulation: Thermal, Acoustic, and HVAC,* and contains the following changes:

Subparagraph (F) states that the maximum flame spread and smoke developed index for insulation shall meet the requirements of the applicable local codes and ordinances (current as of the award date of the lease), adopted by the jurisdiction in which the building is located.

- 8.5 is now *Drinking Fountains*, and states that the Lessor shall provide, on each floor of Government occupied space, a minimum of one chilled accessible drinking fountain with potable water within every 200 feet of travel, increased from 150 feet of travel.
- 8.6 is now *Toilet Rooms*, and now also calls for a floor drain in each toilet room and no pooling or spilling of water on the front edge of the counter.
- 8.9 is now *Heating and Air Conditioning*, and now includes clarification on acceptable maximum indoor humidity levels. Further, it now calls for the provision of individual thermostat control for office space with control areas not to exceed 1,500 ANSI/BOMA office area square feet. Also, Specialty occupancies (i.e., conference rooms, kitchens, etc.) must have active controls capable of sensing space use and modulating HVAC systems in response to space demand.
- 8.10 is now *Ventilation*, has been updated to include pre-filter requirements and toilet room exhaust provisions.
- 8.12 is now *Electrical: Distribution*, and requires the lessor to provide duplex utility outlets in toilet rooms, corridors, and dispensing areas. Also, fuses and circuit brakers must now be plainly marked or labeled to identify circuits or equivalents.
- 8.14 is now *Telecommunications: Local Exchange Access*, and is clarified regarding shell and TI costs.
- 8.15 is now *Data Distribution (Tenant Improvement Information)*, and now allows for the lessor to provide either ladder type or other acceptable cable trays to prevent the Government provided cable coming into contact with suspended ceilings or sprinkler piping.
- 8.16 is now *Electrical, Telephone, Data for Systems Furniture,* and now includes edits to the blue instructional text clarifying to consult with the tenant agency on the wire

configurations needed to support agency systems furniture, and whether the agency will install cable or if they want the Lessor to install as part of Tenant Improvements.

- 8.18 is now *Elevators*, and is now a mandatory paragraph for multiple story buildings. It also has blue text explaining that when there is need for after-hour freight elevator service, this must also be included as a special requirement. Further, it clarifies code compliance in conjunction with all ABAAS requirements.
- 8.19 is now *Lighting: Interior and Parking,* and now includes a clarification on the Tenant Improvement requirement for higher foot-candle requirements if high-resolution external security cameras are necessary for a particular location.

9. Fire Protection, Life Safety, and Environmental Issues (formerly entitled Fire Protection and Life Safety)

- 9.2 is now *Automatic Fire Sprinkler System*, and now references the current requirements of NFPA 25.
- 9.3 is now *Fire Alarm System*, and now states in subparagraph (C) that if a building's fire alarm control unit is over 25 years old, the Offeror must install a new fire alarm system in accordance with the requirements of NFPA 72, National Fire Alarm Code current as of the award date of the lease, or applicable local code, prior to Government acceptance and occupancy of the offered space.
- 9.7 is now Radon in Air, and now includes a link to EPA's website.
- 9.9 is now *Radon in Water*, and now stipulates that if the water source is not from a public utility, the lessor shall demonstrate that the water provided in the leased space is in compliance with EPA requirements.
- 9.12 is now *Occupant Emergency Plans*, and calls for the Lessor to participate in and comply with the development and implementation of the Government Occupant Emergency Plan.
- 9.13 is now *Mold*, and provides guidelines and protocols of action when "Actionable Mold" is determined to be present in the Government occupied space.

Guidance to GSA Form 1364, Proposal to Lease Space and Security Unit Price List

1. GSA Form 1364, Proposal to Lease Space

- a. Due to a number of influences, a new GSA Form 1364, Proposal to Lease Space (1364) has been prepared to capture necessary data that will allow the financial details of offers and resulting lease to be tracked through the procurement process to the formation of the lease to the final Occupancy Agreement (OA).
- b. The new 1364 still captures required broker commission information.
- c. The new 1364 now captures Building Specific Security costs. So that we can capture and bill security costs more consistently, this RSL includes a new Security Unit Price List (SecUP). The SecUP identifies these items and associated cost categories for offerors to be able to complete this portion of the 1364 and for PBS to use in OAs. Additional guidance on the SecUP is provided further in this document.
- d. The new 1364 now captures the portion of the Tenant Improvement (TI) Allowance that represents the offerors' fees. New SFO language has been included that describes the price evaluation of those costs. The present value (PV) evaluation model in eLease was updated last year to accommodate these changes.
- e. The new 1364 now breaks out the cost components of the overall rental rate and allows for differing amortization rates and terms for various cost components. For example, if an offeror chooses to amortize TIs beyond the firm term of the lease, or the term of the lease itself, that information will be captured. NOTE: If an offeror chooses to amortize costs beyond the firm term or full term of the lease, include language in the lease that the Government will not be responsible for any unamortized costs exceeding the firm term of the lease unless a different agreement is reached and memorialized in the OA.
- f. Using the new 1364, the data from it can be easily used in price evaluation, written into the resulting lease, and captured on the OA. This will provide consistency among the documents and a clear paper trail for auditors.
- g. The new 1364 attempts to gather the information most commonly used in leases and normally described in SFOs. A new feature of both the SFO and the 1364 is Block 26, Offeror's Fee Schedule which corresponds to a subparagraph in the 1364 paragraph of the How to Offer section of the SFO. This block is mandatory on all procurements exceeding 20,000 usable square feet, and it is highly recommended for those below that threshold. If you do not use the SFO subparagraph, delete the contents of Block 26 on the 1364.
- h. Detailed instructions for completing each block of the 1364 are provided. These instructions must be provided to all offerors.

2. Security Unit Price List

a. For below prospectus projects, Pricing Policy Clarification No. 13

http://pbsportal.pbs.gsa.gov:7777/pls/portal/docs/page/PV/Documents/PV A/files/PPC_13_w071906.pdf discusses various treatments of security costs. To the extent that security costs can be segregated from other rental costs, for many customer agencies in many markets, these costs would not count against the tenant improvement allowance. The SecUP helps to identify those costs that might be eligible to be categorized as Building Specific Amortized Capital on the OA. Where this can be done, this in effect frees up more TI for the agency to use.

- b. We recommend that the SecUP be provided to FPS for their use in identifying applicable ISC countermeasures. The instructional blue text in the Security section of the SFO also provides guidance as to when an item should be used and how the cost should be categorized. Prior to issuing the SFO, delete countermeasures that are not applicable to the SFO being issued and renumber the items.
- c. If a countermeasure is an ISC requirement for the FPS-determined level of security (denoted by a dark circle in the hidden text of the SFO), then it is a "Building Specific" cost. If not, then it is a "Tenant Improvement" and must be funded by the TI allowance or by RWA. In cells that provide a choice between with "Building Specific" or "Tenant Improvement," select one and delete the other as necessary.

PROPOSAL TO LEASI (For use with TI SFO and/or National	E SPACE	IN RESPO SOLICITA NUMBER	ATION	xxxxxx			DAT	ΓED	MM-DD-YYYY		
SECTION I - DESCRIPTION OF PREMISES											
1a. BUILDING NAME XXXXX		1b. BUILDING ADDRESS XXXXX									
1c. CITY XXXXX			1d. STATE 1e. 9-DIGIT ZIP CODE XX XXXXX-XXXX				1f. CONGRESSIONAL DISTRICT				
2a. FLOORS OFFERED 2b.	TOTAL NUMBER OF FLOORS IN BUIL	I DING		3. TOTAI	BLE SPACE IN	I OFFERED BUILDING					
	OF TEGORIO IN BOIL	a. GENERA (Office)				c. OTHE					
4. LIVE FLOOR LOAD 5.	MEASUREMENT METHOD				sq. ft. 7. BUILDING AGE			sq. ft. 8. SITE SIZE			
lbs. / sq. ft.	ANSI/BOMA [OTHER [-	(if applica	ible)				sq. ft. acres			
	SECT	ION II	- SPACE	OFFERED A	ND R	ATES					
9. ANSI/BOMA OFFICE AREA SQUARE FEET (ABOA)		10. REN	10. RENTABLE SQUARE FEET (RSF) 11. COMMON				ON AREA FACTOR (CAF)				
"Tenant Improvements" are all alterations for the Government-demised area above the building shell buildout, excluding costs identified as tenant improvements in the Security Unit Price List. Building-Specific Security is the sum of costs identified as such in the Security Unit Price List. Neither the Tenant Improvements as stated in Block 12, nor the Building-Specific Security as stated in Block 13, are to be included in the shell rent. It is expected that the tenant buildout will be fully amortized at the end of the firm term, and the rent will be reduced accordingly. Any desired rent increases or decreases beyond the firm term of the lease should be reflected in the shell rate and fully explained as part of this written proposal. If Tenant Improvements or Building-Specific Security improvements are to be amortized beyond the firm term, those calculations must be itemized as part of this written proposal. The Offeror may attach additional pages as necessary.											
Offerors may copy this section through lines 18 as needed. Insert them above Box 20 or in Box 29.			eff			effect. St	Number of years each cost per RSF is in effect. State any changes for any rent component.				
	a. BUILD-OUT COSTS PER CATEGORY	S AMC	b. DRTIZATION TERM	c. AMORTIZATION (%)	d. AMORTIZED COST PER RSF		e. AMORTIZED COST PER ABOA SF		f. NO. YEARS RATE IS EFFECTIVE		
12. TENANT IMPROVEMENTS (per SFO requirements)	\$	\$		\$							
BUILDING-SPECIFIC SECURITY (per SFO requirements detailed on Security Unit Price List)	\$	-			\$	\$					
14. SHELL BUILD-OUT (per SFO requirements) \$					_						
15. TOTAL BUILD-OUT COSTS \$											
16. SHELL RENT (Including current real estate taxes. Refer to Line 28 on GSA Form 1217)					\$		\$				
17. OPERATING COSTS (Refer to Line 27 on GSA Form 1217		_			\$	\$					
18. TOTAL ANNUAL RATE					\$	\$					
19. TOTAL ANNUAL RENT											
PER ANNUM RE		FC	R YEARS	PER ANNUM REN	Γ FC	R YEARS	PER ANN	UM RENT	FOR YEARS		
TOTAL ANNUAL STEP RENTS	\$RSF \$ABOA		_ Thru	\$RSF \$ABOA		_ Thru	\$ \$_	RSF ABOA	Thru		
b. Number of parkir c. Number of parkir d. Number of parkir e. Does the rental r	ng spaces for the entire ng spaces required by ng spaces for Employe ng spaces for Official C rate offered above inclu- If NO, complete the	local code ee/Visitor L Governmenude SFO-r	s: Jse (per SFO): nt Vehicles (per	SFO):			surface surface surface surface		structured structured structured structured structured		

SECTION III - LEASE TERMS AND CONDITIONS											
21. INITIAL LE (Full Te	22. RENEWAL OPTIONS										
a. Number of years b. Years firm		Number of days notice for Government to terminate lease:	a. Shell rate / RSF / Yr	b. Years e	each	c. Number of options	d. Number of days NOTICE to exercise renewal option:				
xxx xxx		XXX	\$	XX	X	xxx	XXX				
23. OFFER GOOD UNTIL AWARD (In accordance with Federal Acquisition I	Space will be altered and delivered in accordance with the Government's specifications and requirements in accordance with the Solicitation for Offers and any additional attachments.										
25. COMMISSIONSIF APPLICABLE, ATTACH COMMISSION AGREEMENT											
a. Tenant Representative Commission:		b. Owner's Representa	tive Commission:		c. Sch	edule of Commission p	ayments:				
%			% at lease award and% at lease occupancy								
26. OFFEROR'S TENANT IMPROVEMENT			27. ADDITIONAL FINANCIAL ASPECTS OF THE OFFER Adjustment for Vacant Premises: \$ per ABOA sf								
a. General Conditions will bep1. Total Subcontractors Costs e	estimated to be		HVAC Overtir	ne Rate:		\$ per					
2. Other (state basis) \$						etc.) \$per					
 b. General Contractor's fee will be 1. Total Subcontractors Costs e 2. Other (state basis) \$ 	NOTE: THE COST TO PROVIDE 24 HOUR HVAC SERVICE IS REIMBURSED SEPARATELY FROM RENT. THE COST FOR THESE OVERTIME UTILITIES MUST NOT BE INCLUDED IN THE OFFERED RENTAL RATE OR BASE OPERATING COSTS.										
c. Architectural/Engineering fees will b) :	Building's No		HVAC Op	peration:					
1. \$ per usable square2 % of (state basis) \$ _				i AM t							
3. \$flat fee				AM to							
 d. Lessor's Project Management fees 1. Total Subcontractors Costs e 			Sunday AM toPM Percent of Government Occupancy:%								
2. Total Subcontractors Costs p	Current Year Taxes: \$										
e. If other fees are applicable, state			Based on fully assessed value? YES NO Is the offered space part of multiple tax bills? YES NO								
square foot amount, or if using determining the fee.	a percentage	e, what is the basis for	If so, provide tax ID numbers and square footage for each. Attach the legal								
The Government will add the cost of the proposed fees to the net present value of the offered rental rate as described in the SFO's Price Evaluation paragraph. This schedule will be applicable for Tenant Improvements, Building-Specific Security, and change orders during initial construction arising under any resulting lease contract.											
			28. LIST OF ATTACHMENTS SUBMITTED WITH THIS OFFER (See Solicitation requirements) XXXXX								
29. ADDITIONAL REMARKS OR CONDITION	DNS WITH RES	SPECT TO THIS OFFERXXX	ххх								
SEC	CTION IV	- OWNER IDENT	TIFICATION A	AND CE	RTIFIC	CATION					
30. RECORDED OWNER (Name and addre NAME STREET CITY, ST ZIP	ess including ZI	P code)									
	CE OF THIS PROPOSAL BY THE HEREIN SPECIFIED DATE, TO LEASE TO THE UNITED D CONDITIONS AS SPECIFIED HEREIN, IN FULL COMPLIANCE WITH AND ACCEPTANCE NTS.										
32. OFFEROR'S INTEREST IN PROPERTY	′	OWNER	AGE	NT			HER ecify):				
		[]	[]				XXXXX				
33. OFFEROR											
a. NAME TITLE				b.	E-MAIL ADDRESS:	XXXXX					
STREET CITY, ST ZIP			C.	TELEPHONE NUMBE	R (Including area code) ension						
d. SIGNATURE			e.	DATE SIGNED							
					MM-DD-YYYY						

PAGE 2 of 2 GSA FORM 1364 (Rev 08/08)

NOTE: THE 1364 IS AVAILABLE AS A TABLE IN WORD (.DOC) FORMAT. OFFERORS ARE NOT LIMITED BY THE CELL SIZE AS THE DOCUMENT WILL EXPAND TO ACCOMMODATE ADDITIONAL INFORMATION AS NEEDED. IT IS EXPECTED THAT A COMPLETE OFFER MAY RESULT IN A 1364 THAT EXCEEDS THE 2 PAGE FORMAT PROVIDED.

I. SECTION I – DESCRIPTION OF PREMISES

Block 1a

Building Name

If applicable, the Offeror should provide the building name of the proposed facility/building, to house the Government's space requirement.

Block 1b

Building Address

The Offeror must provide the building street address of the proposed facility/building, to house the Government's space requirement. If an unimproved site is being offered, attach a site plan as detailed in the SFO.

Block 1c

Building City

The Offeror must provide the name of the City the proposed facility/building is located.

Block 1d

Building State

The Offeror must provide the name of the State or U.S. Territory the proposed facility/building is located.

Block 1e

Building 9-Digit Zip Code

The Offeror must provide the 9-Digit United States Postal Service Zip Code for the address of the proposed facility/building.

The 9-Digit Zip Code can be found on the United States Postal Service Web Site either on http://zip4.usps.com/zip4/welcome.htm or http://www.usps.com/

Block 1f

Building's Congressional District

The Offeror must provide the Congressional District where the proposed facility/building is located.

The Congressional District can be found on the United States House of Representatives Web Site http://www.house.gov/

Block 2a

Specific Floors Offered

The Offeror must specifically identify the floor(s) offered in his/her building.

Block 2b

Total Number of Floors in Building

The Offeror must provide the total number of floors in the building.

Block 3a

General Purpose (Office)

If the building/facility offered is, or will be constructed as, a general-purpose office and/or retail facility, the Offeror must provide the total rentable square feet of space in the building being offered to house the Government's space requirement. Rentable space is the area for which a tenant is charged rent. The rentable square feet are determined by the building owner and agreed to by the Contracting Officer. The rentable space may include a share of building support/common areas such as elevator lobbies, building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The rentable space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts.

Block 3b

General Purpose (Warehouse)

If the building/facility offered was, or will be, constructed as a warehouse, the Offeror must provide the total rentable square feet of space in the building being offered to house the Government's space requirement.

Block 3c

Other

If other space is being offered as part of the proposal, i.e. storage space within an office and/or retail facility, the Offeror should differentiate and provide the total rentable square feet in the building being offered to the Government under Block 3c. Please note that storage space within an office and/or retail facility is not warehouse space.

Block 4

Live Floor Load

The proposal must include the live load capacity of the space offered to the Government. See the SFO for floor load requirements. A report showing the floor load capacity, at no cost to the Government, by a registered professional engineer may be required. Calculations and structural drawings may also be required. Please note that warehouse requirements normally require additional floor load capacity.

Block 5

Measurement Method

The Offeror must identify their method of measurement for the Office Area. Refer to the SFO for a definition of ANSI/BOMA Office Area. If another method of measurement is used, provide the methodology in an attachment to the offer.

Block 6

Year of Last Major Renovation

The Offeror should provide the date of the last major building renovation, if applicable. A major renovation would include at a minimum an upgrade of various building systems, e.g., plumbing, HVAC, etc. Renovations to finishes in common areas are not considered major renovations for purposes of this block.

Block 7

Building Age

The Offeror must identify the facility/buildings age or the year the building was constructed.

Block 8

Site Size

If the Offeror proposes to meet the requirements of this SFO through new construction, provide the site size in square feet and acres.

II. SECTION II - SPACE OFFERED AND RATES

Block 9

ANSI/BOMA Office Area Square Feet (ABOA)

The Offeror must provide the total ANSI/BOMA Office Area square feet of space being offered to house the Government's space requirement. The Government recognizes the American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) international standard (Z65.1-1996) definition for Office Area. ANSI/BOMA Office Area square feet shall be computed by measuring the area enclosed by the finished surface of the room side of corridors (corridors in place as well as those required by local codes and ordinances to provide an acceptable level of safety and/or to provide access to essential building elements) and other permanent walls, the dominant portion (refer to Z65.1) of building exterior walls, and the center of tenant-separating partitions. Where alcoves, recessed entrances, or similar deviations from the corridor are present, ANSI/BOMA Office Area square feet shall be computed as if the deviation were not present.

Block 10

Rentable Square Feet (RSF)

The Offeror must provide the total rentable square feet of space being offered to house the Government's space requirement. See Block 3A above for more information about rentable square feet.

Block 11

Common Area Factor - (CAF)

The Offeror must provide the Common Area Factor (a conversion factor(s) determined by the building owner and applied by the Offeror to the ANSI/BOMA Office Area square feet to determine the rentable square feet for the offered space). The equation is rentable square feet divided by ANSI/BOMA Office Area square feet.

If the space offered is on multiple floors and does not have a single common area factor because of changes in floor design due to building architecture/building systems or due to full floor and partial floor occupancy under the same lease proposal, the Government requests the common area factors itemized by location and by floor. If the offer is the successful offer, the Government, on a case-by-case basis, may request to have one common area factor, which would be the blended/averaged common area factor. This blended/averaged common area factor may be placed on contract documents, for internal Government purposes.

If the product of rentable square feet divided by ANSI/BOMA Office Area square feet does not round evenly, the Government requests that the result be provided up to 9 decimal places.

For Blocks 12-18, the offered annual rental rate is segmented into various cost components. "Tenant Improvements" are all alterations for the Government-demised area above the building shell buildout, excluding costs identified as tenant improvements in the Security Unit Price List. Building-Specific Security is the sum of costs identified as such in the Security Unit Price List. Neither the Tenant Improvements as stated in Block 12, nor the Building-Specific Security as stated in Block 13, are to be included in the shell rent. It is expected that the tenant buildout will be fully amortized at the end of the firm term, and the rent will be reduced accordingly. Any desired rent increases or decreases beyond the firm term of the lease should be reflected in the shell rate and fully explained as part of this written proposal. If Tenant Improvements or Building-Specific Security improvements are to be amortized beyond the firm term, those calculations must be itemized as part of this written proposal. The Offeror may attach additional pages as necessary, or s/he may copy the lines 12-18 and insert them above Box 20 or in Box 29.

Column a

Build-out Costs per Category

For each indicated row, state the build-out costs as indicated for each item.

Column b

Amortization Term

If the Offeror includes any build-out costs as part of the proposal, the Offeror must provide his/her amortization term in months. Unless inappropriate or negotiated in a different way by the Contracting Officer, the term most likely will be the firm term as defined by the Solicitation for Offers and its attachments.

Column c

Amortization %

If the Offeror includes tenant improvements and/or building-specific security costs as part of the proposal, the Offeror must provide his/her annual amortization interest rate used to finance these build-out costs. The amortization interest rate should be based upon existing market conditions using the United States prime rate, the London interbank offered rate (known as the LIBOR), and/or yields on United States Treasury securities for the term of the amortization period.

Columns d and e

Amortized Cost per RSF and ABOA

If the Offeror includes tenant improvements and/or building-specific security costs as part of the proposal, the Offeror is requested to calculate the annual amortization for each space measurement method.

The Offeror must calculate a standard, level amortization on a monthly basis in arrears using Block 12a as the principal amount, Block 12b as the amortization term, and Block 12c as the amortization interest rate. Multiply by 12 for the annual rate per square foot. No costs associated with the building shell shall be included in the amortization of the tenant improvement costs. If the term of the lease or if the term of the amortization period in the last year does not evenly equate to a full year, the Offeror should make note and itemize the last year amortization figure separately. Use the same method to calculate Building-Specific Security rates.

Column f

No. Years Rate is Effective

If the proposal is for other than levelized rent, state the number of years the rates are effective. Copy and paste this table as needed as part of the offer.

Block 12 (a-f)

Tenant Improvements

If the government requires a tenant improvement allowance as part of the solicitation for offers, the Offeror must provide the total tenant improvement allowance as part of the rental consideration. The tenant improvement allowance shall be used for building out the government-demised area in accordance with the government-approved design intent drawings. The successful Offeror, as part of the rental consideration, shall perform all tenant improvements required by the government for occupancy, and all improvements shall meet the quality standards and requirements of the solicitation for offers, its attachments, and GSA Form 3517, General Clauses.

The tenant improvement allowance shall include all the Offeror's administrative costs, general contractor fees, subcontractor's profit and overhead costs, Offeror's profit and overhead, design costs, and other associated project fees necessary to prepare construction documents to complete the tenant improvements. It is the successful Offeror's responsibility to prepare all documentation (working drawings, etc.) required to receive construction permits. No costs associated with the building shell shall be included in the tenant improvement pricing.

The tenant improvement allowance dollars are defined and specified in the Solicitation for Offers or the government's lease requirements. The tenant improvement allowance is based upon and calculated by using the ANSI/BOMA Office Area square footage.

State the total build-out costs and amortized costs of any tenant improvements identified in the SFO. The Solicitation for Offers will indicate if the offer should include a stated dollar per square foot for a Tenant Improvement Allowance or a turnkey price based on the Offeror's assessment of the construction costs for the Tenant Improvements. Include any building specific security items identified as Tenant Improvements on the Security Unit Price List, if any. The Offeror must complete Blocks 12 a thru f. If the Tenant Improvements are amortized over a period less or more than the full lease term, state the number of years it is effective in Block f. Block 12d requires the Annual Amortization of the Tenant Improvements to be divided by the rentable square footage in Block 10. Block 12e requires the Annual Amortization of the Tenant Improvements to be divided by the ABOA square footage in Block 9. Repeat if needed to include the entire lease term. The rate may be levelized or stepped, but the Offeror must identify if the rate is levelized or must itemize the step rent changes. The Offeror is reminded that tenant improvements shall provide for all alterations for the government-demised area above the building shell build-out. It is anticipated that the tenant build-out will be fully amortized at the end of the firm term. Any desired rent increases or decreases should be reflected in the shell rate and fully explained as part of this written proposal. If tenant improvements are to be amortized beyond the firm term, said calculations will be itemized as part of this written proposal.

Block 13 (a-f)

Building Specific Security

State the total build-out costs and amortized costs of SFO security requirements and Security Unit Price List, if any, identify building specific security items to be priced separately from tenant improvements. The Offeror must complete Blocks 12 a thru f. If the Security Costs are amortized over a period less or more than the full lease term, state the number of years it is effective in Block f. The Offeror is encourage to minimize any rounding errors.

Block 14 (a)

Shell Build-Out

State the total build-out costs required to provide the shell space and other improvements as defined in the SFO.

Block 15

Total Build-Out Costs

The Offeror must not include build-out costs affiliated with shell in the tenant improvement allowance costs. The purpose for this block is to quantify the total tenant area build-out costs, in the Government-demised area, to ensure any shell build-out costs are subtracted out in Blocks 12a and 13a. All improvements in the base building, lobbies, common areas, and core areas shall be provided by the Offeror, at the Offeror's expense. This block is as required by the GSA contracting officer. This line should equal the sum of Blocks 12a, 13a and 14a.

Block 16

Shell Rent (Including current real estate taxes. Refer to Line 28 on GSA Form 1217)

The proposal must include a lease rate per rentable square foot for the building shell rental. All improvements in the base building, lobbies, common areas, and core areas shall be provided by the Offeror, at the Offeror's expense. This rate shall include, but not limited to, property financing (exclusive of Tenant Improvement), insurance, taxes, management, profit, capital expenditures, etc., for the building. The building shell rental rate shall also include all basic building systems and common area build-out, including base building lobbies, common areas, and core areas, etc., exclusive of the ANSI/BOMA Office Area space offered as required in the Solicitation for Offers. Block 16d requires the Annual Amortization of the Shell Rent to be divided by the rentable square footage in Block 10. Block 12e requires the Annual Amortization of the Shell Rent to be divided by the ABOA square footage in Block 9. State the number of years the shell rate is effective in Block 16f.

Block 17d, 17e and 17f

Operating Costs (Refer to Line 27 on GSA Form 1217)

The Offeror must provide any and all services, utility expenses, excluding ownership and managerial costs, on a first lease year rentable square foot basis. This amount is identified on Line 27 on the GSA Form 1217. Block 17d requires the Annual Amortization of the Tenant Improvements to be divided by the rentable square footage in Block 10. Block 17e requires the Annual Amortization of the Tenant Improvements to be divided by the ABOA square footage in Block 9. Though the heading in columns d and e indicate amortized costs, there is no amortization rate associated with the operating costs. If an offeror proposes set changes in rent for operating costs rather than using the operating cost adjustment paragraph in the SFO, indicate changes in operating costs and the number of years each rate is in effect.

Block 18

Total Annual Rate

The offeror must calculate the Total Annual Rate for rent by adding Blocks 12d through 17d and by adding blocks 12e through 17e. State the number of years the rate is effective in 18f.

Block 19d

Total Annual Rent

The Offeror must calculate the total annual rent per rentable square foot by multiplying Block 18d by Block 10. Calculate the total annual rent per ABOA square foot by multiplying 18e by Block 9.

Total Annual Step Rents

If there are stepped rents, indicate the rates per rentable and ABOA square feet and the years effective. For example, for a 10 year lease, the rent may be \$20.00 rsf and \$21.00 ABOA for years 1-3, etc.

Block 20a

Parking for building/facility

The Offeror shall provide the number of parking spaces for the entire building/facility, which are under the control of the Offeror. If the offered building shares parking with neighboring buildings the Offeror is requested to give the total number of surface and/or structured parking available along with the total number of parking spaces surface and/or structured allocated to the offered building.

Block 20b

Parking required by local code

The Offeror shall provide the number of parking spaces for the entire building/facility that are required by local code to be provided for all occupants of the facility.

Block 20c

Parking required for Employee/Visitor Use

The Offeror shall state the number of parking spaces for Employee/Visitor that are available at the building/facility to meet any SFO requirements. The Offeror shall provide the number of parking spaces, surface and/or structured, available for Government employee and/or visitor use. Government employees and visitors are typically responsible for coordinating and funding their own parking arrangements; however, the Government requests the number of available parking spaces for Government employees and/or visitors, the annual cost, and the number required by local code, to ensure appropriate accommodation has been made as part of the lease proposal.

Block 20d

Parking required for Official Government Vehicles

The Offeror shall state the number of parking spaces for Official Government Vehicles that are available at the building/facility to meet any SFO requirements. If the Solicitation for Offers and its attachments requires parking for official government vehicles, the Offeror must provide as part of the proposal the number of parking spaces provided for official government vehicles along with the annual cost per space. The Offeror must specify whether the annual cost remains level over the entire term or itemize any steps in the annual cost over the term of the proposal.

Block 20e

Parking Costs

The Offeror shall state whether the offered rental rate(s) above include parking costs. If not, provide the annual cost per space for structured and surface parking spaces.

III. SECTION III - LEASE TERMS AND CONDITIONS

Block 21a

Number of Years for Initial Term

The Offeror is requested to confirm that the total initial term of the proposal is consistent with the Solicitation for Offers and its attachments.

Block 21b

Years Firm

The Offeror is requested to confirm that the firm term portion of the total initial term of the proposal is consistent with the Solicitation for Offers and its attachments. Block 21a may be the same as Block 21b, as defined by the Solicitation for Offers and its attachments.

Block 21c

Days Notice to Terminate

If the Solicitation for Offers requires, or if the Offeror provides termination rights during the term of the proposed lease, the Offeror must provide the number of days notice required for the Government to terminate the proposed lease.

Block 22a

Renewal Option Shell Rate

If the Solicitation for Offers requires a renewal option, the renewal options will be evaluated in accordance with the Solicitation for Offers. Block 22a requests the shell rate per rentable square foot proposed by the Offeror.

The Offeror is reminded that the Government anticipates that the tenant build-out will be fully amortized at the end of the firm term. Any desired rent increases or decreases should be reflected in the shell rate and fully explained as part of this written proposal.

If the Offeror submits an unsolicited renewal option, the Offeror understands that even if his/her offer is the successful offer the Contracting Officer, may choose not to incorporate the renewal option into the lease language.

Please note procurement and appropriation regulations may prevent GSA from incorporating a renewal option into the lease agreement and may prevent GSA from ultimately exercising a renewal option written into the lease agreement.

Block 22b

Renewal Option--Years Each

The Offeror is requested to confirm that the renewal term of the proposal is consistent with the Solicitation for Offers and its attachments. If the Solicitation for Offers requested more than one renewal term, the Offeror is requested to confirm that the renewal terms of the proposal are consistent with the Government's requirement.

Block 22c

Number of Renewal Options

The Offeror is requested to confirm that the number of renewal option periods reflected in this proposal is consistent with the Solicitation for Offers and its attachments.

Block 22d

Days Notice to Exercise Renewal Options

If the Solicitation for Offers requires a renewal option, the number of days notice required to exercise the renewal option is requested. The Solicitation for Offers may specify a number of days notice as determined by the Contracting Officer. Otherwise, the number of days notice should be reasonable and in accordance with market conditions.

Block 23

Offer Good Until Award

Offerors are responsible for submitting proposals, and any revisions, and modifications, so as to reach the appropriate Government office designated by the time specified in the Solicitation Provisions. Regulations regarding the submittal of proposals are summarized in Federal Acquisition Regulations 15.208. The Federal Acquisition Regulations can be found on the Federal Acquisition Institutes web site located at http://www.arnet.gov/far/

Block 24

Alterations in accordance with SFO

Space will be altered and delivered in accordance with the Government's specifications and requirements in accordance with the Solicitation for Offers and any additional attachments. The Contracting Officer, or his/her designee, may require written verification that the proposal will comply with the Government's proposed construction schedule and required occupancy date. Proposals unable to meet the terms of the Solicitation for Offers may be considered, by the Contracting Officer, non-responsive to the Government's requirement.

Block 25a

Tenant Representative Commission

If GSA uses an authorized Realty Company as its official tenant representative, the Offeror must provide the total percentage of commission allocated in the proforma, for this proposal, to the tenant representative/tenant broker. This information is necessary to measure the national broker contract program results.

The General Services Administration (GSA) may designate an authorized Realty Company as the Government's representative. While a GSA Contracting Officer must execute the lease agreement, the authorized Realty Company will be entitled to the tenant representative/tenant broker commission, which is a common commercial real estate business practice. Such commission shall be payable to the authorized Realty Company in the form of a check due in accordance with local laws and customs but no later than the lease commencement date.

Under the terms of the contract between GSA and the authorized Realty Company, the authorized Realty Company will forego a certain percentage previously agreed to by the authorized Realty Company. The Offeror will apply the percentage foregone by the authorized Realty Company as a credit to the Shell Rent of the lease (herein, commission credit). Said credit will ultimately be reflected in a reduction to the shell rent on the Standard Form 2, entitled "U.S Government Lease for Real Property."

The Solicitation for Offers will state the percentage forgone by the authorized Realty Company.

For purposes of the price evaluation, any commission credits shall be treated as a lump sum credit and will be evaluated in accordance with the procedures established in the "Price Evaluation" paragraph in the SUMMARY section of the Solicitation for Offers. The commissions paid to the GSA authorized Realty Company, as direct payment, will not be applied to the present value analysis.

A proforma is defined as the ownerships' projected financial analysis on their income and expenses in determining their proposal to the Government.

Block 25b

Owner's Representative Commission

If GSA uses an authorized Realty Company as its official tenant representative, the Offeror must provide the total percentage of commission allocated in the proforma, for this proposal, to the owner's representative/owner's broker. This block is to gather information and measure the national broker contract program results.

Block 25c

Schedule of Commission Payments

If GSA uses an authorized Realty Company as its official tenant representative, the Offeror must provide the schedule of commission payments as allocated in the proforma, for this proposal. Under the terms of the contract between GSA and the authorized Realty Company, the authorized Realty Company will forego a certain percentage referenced above as the commission credit as part of the Realty Companies contract with GSA. The remaining commission shall be payable to the authorized Realty Company in the form of a check due in accordance with local laws and customs but no later than the lease commencement date. This block is to gather information on the timing of commission payments to measure the national broker contract program results.

Block 26

Offeror's Tenant Improvement Fee Schedule

So that the Government may assess, prior to award, the impact of the Offeror's fees on the actual dollar amount of the tenant improvement allowance available for construction, the Offeror must state the fee components to be absorbed by the allowance. Refer to Block 12 above and the SFO. The fees are part of the Present Value evaluation used by the Government in making the award decision. In some procurements, the Contracting Officer may have deleted this provision from the 1364.

Block 27

Additional Financial Aspects of the Offer

Various paragraphs of the SFO discuss the items listed below. So that the offer fully addresses these issues, provide the following information:

- the proposed rental adjustment for vacant premises;
- · the overtime HVAC rate;
- rate for areas requiring 24 hour HVAC (per SFO requirements such as LAN rooms, etc.)--these costs will be paid separately by the occupant
 agency;
- the offered building's normal hours of HVAC operation, including any weekend hours;
- · percent of occupancy by the Government
- · real property tax information;
- · legal description of property proposed; and
- Total land costs, if a site is offered for new construction.

Block 28

List of Attachments Submitted with this Offer

The Offeror may itemize attachments submitted as part of his/her proposal as required by the Solicitation for Offers and as necessary to thoroughly and properly explain his/her offer.

Block 29

Additional Remarks or Conditions

The Offeror must provide any additional information that impacts the offer. Provide additional pages as necessary.

SECTION IV - OWNER IDENTIFICATION AND CERTIFICATION

Block 30

Name and Address of Recorded Owner

The Offeror must provide the name and full address of the recorded owner of the property proposed in response to the Government's requirement.

Block 31

Agreement to Lease to the United States

By submitting this offer, the Offeror agrees upon acceptance of this proposal by the herein specified date, to lease to the United States of America, the premises described, upon the terms and conditions as specified herein, in full compliance with and acceptance of the aforementioned Solicitation for Offers, with attachments.

Block 32

Offeror's Interest in the Property

The Offeror must identify their interest in the property, whether they have an ownership interest, they are an agent, or some other relationship to the property being proposed in response to the Government's requirement. If the Offeror is an agent, provide a copy of the agency agreement indicating control of the property.

Block 33

Offeror Information

The proposal must include the Offeror's name, title, address, email address, phone, signature and date of signature.

The Contracting Officer may request an authority to represent letter from the ownership identifying the Offeror as his/her official representative. Refer to the Parties to Execute Lease clause in the Solicitation Provisions (GSA Form 3516) for additional information that will be required prior to any lease execution.

SECURITY UNIT PRICE LIST Solicitation for Offers [INSERT SFO#] [INSERT DATE] [INSERT CLIENT NAME] [INSERT CITY and STATE]

The following security countermeasures are required by the Solicitation for Offers (SFO). Using this form, the offeror must quote unit prices on all security countermeasures identified in the SFO as "Tenant Improvement" or "Building Specific Security." The totals of these countermeasures will be entered on the GSA Form 1364 as appropriate by category. Shell security costs do not have to be quoted here, but must be included as part of the "Shell Rental Rate" on the GSA Form 1364. Quotes are subject to negotiation. Refer to "Lease Security Standards" of the SFO for additional details. This form must be submitted with all offers.

	Solicitation Reference (Lease Security Standards Section)	Include on Form 1364 as:	Unit Price	Quantity	Total			
1	Emergency Power to Critical Systems	Shell	Shell break-out not required					
	(e.g., alarm systems, monitoring systems, fire detection systems, entry control, lighting)	Cite	Shell break	N-OUL HOLLIE	_{quired}			
1a	Emergency Power to Agency Special Equipment	Tenant Improvement	\$ -	0	\$ -			
2	Mechanical Areas and Building Roofs (specifically: maintain controls for access to keys, keycards, and key codes; develop and maintain accurate HVAC diagrams and labeling; secured roof.)	Shell	Shell breat					
3	Access to Building Information	Shell	Shell breat	k-out not red	quired			
4	Posting of Government Rules and Regulations	Shell	Shell breal	k-out not red	quired			
5	Occupant Emergency Plan Sheltering in Place Plan	Shell Shell	Shell break-out not required Shell break-out not required					
6	Emergency Voice/Alarm Communication System	Shell	Shell break-out not required					
7	Additional Security Measures as Determined by the Government							
	[FPS and Realty Specialist list here]	Tenant Improvement (or Building Specific if ISC required)	\$ -	0	\$ -			
8	Security Guard Service							
	(guards furnished by government)	N/A	N/A					
9	X-ray Machine Magnetometer	Building Specific or Tenant Improvement Building Specific or Tenant Improvement	\$ -	0	\$ -			
10	Entry Security: Intrusion Detection System	Tenant Improvement	\$ -	0	\$ -			
	A++	chmont 5	INITIA	I C.	LESSOB			

Attachment 5 INITIALS: ____ LESSOR RSL 2008-02 GOV'T

11	Entry Security: Peepholes	Tenant Improvement	\$	-	0	\$	-
12	Entry Security: Intercom	Tenant Improvement	\$	-		\$	-
13	Entry Security: Entry Control						
	with CCTV	Tenant Improvement	\$	-	0	\$	-
	with Door Strikes	Tenant Improvement	\$	-	0		-
			•			-	
14	Occupant/ Visitor Screening	N/A		N/A			
		Building Specific or					
15	Secure HVAC: Outdoor Air Intakes	Tenant Improvement				\$	-
	Secure HVAC: Dedicated HVAC for Lobbies,	Building Specific or					
16	Mailrooms, and Loading Docks	Tenant Improvement				\$	-
				-			-
17	Secure HVAC: Airborne Hazards	Shell	She	ell breal	k-out not re	quire	d
18	Secure HVAC: Secure Return-Air Grilles	Shell	She	ell breal	k-out not re	quire	d
19	Parking Security Requirements						
	Fencing to restrict access to official Government						
	vehicles	Building Specific	\$	_	0	\$	_
	Reserve parking spaces	Building Specific	\$	_	0		_
	Post signs for towing of unauthorized vehicles	Building Specific	\$	_	0		_
	ID system for authorized parking	Building Specific	\$		0		_
	b system for dumonzed parking	Ballating Opcomo	Ψ			Ψ	
20	CCTV Monitoring: Surveillance with Time Lapse						
20	Video Recording	Building Specific	\$	-	0	\$	_
	video recording	Bananig Opcomo	Ψ-			Ψ	
21	CCTV Monitoring: Post signs	Building Specific	\$	-	0	\$	-
22	Shatter-resistant Window Protection	Building Specific	\$	-	0		-
	Installation	Building Specific	\$	-	0		-
	Certification	Building Specific	\$	-	0	\$	-
23	Security Design Criteria	Building Specific	\$	-	0	\$	-
	for detail, see above "Additional Security Measures						
	as Determined by the Government"						
		B !!!! 6 :::					
24	Security Design Criteria: Setback	Building Specific	\$	-	0	\$	-
25	Security Design Criteria: Façade Protection	Building Specific	\$		0	\$	
20	Security Design Ontena. Façade Flotection	Dulluling Specific	Φ	-	U	Φ	-
26	Security Design Criteria: Blast-Resistant Glazing	Building Specific	\$	-	0	\$	-
27	Security Design Criteria: HVAC	Shell	She	ell breal	k-out not re	quire	d
	Consulty Decima Cultonia, Decima and Empire and						
	Security Design Criteria: Design and Engineering	11/0					
28	Documents	N/A		N/A			
	TOTAL C.		•			¢	
	TOTALS:		\$	-	1	\$	-

LIQUIDATED DAMAGES WORKSHEET

Use these instructions to populate the Liquidated Damages worksheet in the next tab section.

FAR 11.501 (B) STATES

Liquidated damages are not punitive and are not negative performance incentives. Liquidated damages are used to compensate the Government for probable damages. Therefore, the liquidated damages rate must be a reasonable forecast of just compensation for the harm that is caused by late delivery or untimely performance..."

If you have a project with multiple completion dates, a separate Liquidated Damages sheet should be prepared for each completion date.

This worksheet shall be completed during the design stage and shall be submitted to the Contracting Officer when a project enters procurement.

ADMINISTRATIVE COSTS

GSA staff

Contracting Officer

COR

Building Manager

Supervisory personnel

Engineering Tech

RAM

Project Director

Fire Protection Engineer

Add staff positions as necessary to reflect your project. Use salaries for actual associates where known. If not known, consult the GS salary schedules at opm.gov and use the most likely GS grade and step, adjusted for locality, for each position. Divide the annual salary by 2087 hours to obtain the hourly rate.

Estimate the number of hours per week that each type of associate may be working on the project. Remember that past due projects will likely take more time as associates are involved in solving problems and damage control with clients. Include appropriate supervisory time in support of each associate. Consideration should also be given to additional supervisory and management participation normally present with client related projects.

TRAVEL

Regional travel Service Center/Field Office travel Determine the personnel who will need to visit the project site if delayed. Estimate the number of visits they will make in one month and the cost of each visit. Divide by 30 days to obtain a daily cost. Account for the hours spent by the associate within the administrative cost category above. If an associate splits time between projects, recover only the cost proportionate to this project.

Regional Travel: From Regional office to project site. Service Center Travel: From Service Center to project site, typically includes mileage and parking.

CONSULTANTS/CONTRACTS

A/E inspection contract CM contract

Past due projects often require increased CM/A/E time due to problems and issues created by the delay. When estimating CM or A/E inspection costs, use the weekly rate of the original contract plus the anticipated additional hours necessary to

LIQUIDATED DAMAGES WORKSHEET

manage/inspect a delayed project having complex issues to

resolve.

Add additional consultants or contracts to suit project.

Guard service For building In Client Space

Obtain guard costs from the Building Manager or FPS. Be sure

to express guard costs as a daily rate.

Security Equipment If security equipment, such as magnetometers, are required to facilitate your project, obtain the daily cost from FPS or

the Building Manager and include in your calculations.

Site Office - trailers, rented space, tele and data to support GSA construction office

If there is a daily cost to maintain a GSA construction office, such as trailer rental or office space rental in a commercial building, include that and the other support and admin costs

associated with operating such an office.

Fire Watch

If a "fire watch" service is part of your construction contract
and a delay may result in extension, carry a daily cost in the

Liquidated Damages. Verify fire watch requirements with ERD.

RENTAL INCOME

Lost Rent (Agency 1) Lost Rent (Agency 2) Obtain rent and USF figures from the OCS Project Director. These MUST be taken from the agencies OA. Rates can be expressed in Usable, Rentable and Gross square feet. Be sure all figures you use are expressed in Usable square feet.

Additional Lease payments (A1) Additional Lease payments (A2) If a client is moving from leased to Federal space, calculate the cost to GSA if we need to extend their lease due to delay. Contact the Project Director to get Usable rent and square footage costs as well as any additional costs or fees incurred if move out is delayed.

Additional Rent and fees charged by Lessor

Include any additional rent or fees charged above and beyond normal rental costs as a result of not vacating the space upon lease expiration.

MISCELLANEOUS COST ELEMENTS

Furniture
Other special equipment
Telecommunications
Misc

It is hard to quantify these costs as we do not know whether they will be incurred. However, as we are liquidating all our damages up front, we must do our best to use historical data to project the likelihood of incurring such costs and what they may be. Discussions should be held with the Project Director and RAM to identify what furniture and special equipment may be part of this project. Factors such as a large quantity of furniture or a highly complex Audio/Visual or telecommunication system will warrant carrying a greater cost in this category as it becomes harder for vendors to

LIQUIDATED DAMAGES WORKSHEET

work around project delays in a no-cost manner.

Also, the greater the number of ancillary contracts the greater

the likelihood of incurring costs in a delay situation.

I have elected to divide the cost by 30 days to convert these costs to a daily rate. A different term may be selected allowing for faster or slower recovery of costs if determined to be

appropriate by the project team.

OPERATING COSTS

New mechanical systems and equipment will result in energy Lost energy savings

savings. The Asset Manager can provide historic utility costs and the A/E can provide an estimate of energy savings. If the project is delayed, we can collect our "lost" energy savings.

The GSA energy Coordinator can also be consulted.

Maintenance and repairs New mechanical systems and equipment will also reduce O&M

and repair costs. Consult the Asset Manager for historic

O&M and repair costs and include.

Perform a "reality check" on the cost you've calculated. Is it too low to protect the Government? Is it to high as to possibly limit competition? Does it adequately reflect the importance of the project?

LIQUIDATED DAMAGES DAILY RATE

GRAND TOTAL: \$

Round the liquidated damages rate to the nearest \$10 increment.

SIGNATURE OF PREPARER TITLE DATE

SIGNATURE OF CONTRACTING OFFICER DATE

Per FAR 11.501(a) the CO must "...consider the potential impact on pricing, competition, and contract administration...." Therefore, the CO shall review the proposed liquidated damages rate and concur.